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## Idaho Division of Human Resources

### Management Report on Internal Control

Issued: September 30, 2003  
Fiscal Year: 2001, 2002, and 2003



## EXECUTIVE SUMMARY LEGISLATIVE AUDITS

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### DIVISION OF HUMAN RESOURCES

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**PURPOSE AND SCOPE.** In planning and making our audit of the statewide basic financial statements, we performed certain audit procedures to evaluate the effectiveness of the Division of Human Resources' internal control design and operation. Consequently, the limited scope of our procedures does not allow us to give an opinion on the Division's internal control system. Accordingly, we do not express an opinion or ensure that all instances of internal control weaknesses were disclosed.

Our purpose was to indicate where internal controls could be strengthened to help ensure accurate financial statements and data. This evaluation, together with other evaluations and various audit procedures applied at other agencies, allows us to express an opinion on the statewide basic financial statements prepared by the State Controller's Office.

**CONCLUSION.** We noted no matters involving the internal control over the Division's financial reporting and or its operation that we considered to be material weaknesses. However, our consideration of the internal control over financial reporting would not necessarily disclose all matters considered to be a material weakness.

**FINDINGS AND RECOMMENDATIONS.** There are no findings and recommendations in this report, nor in the previous report.

**AGENCY RESPONSE.** The Division has reviewed the report and is in general agreement with its contents.

**FINANCIAL SUMMARY.** The Division is funded by State agencies that pay a fee of 0.615% multiplied by the gross payroll for each classified employee. This percentage is based on the projected operating expenses for the Division. In addition, the Division also receives money from participants in training sessions sponsored by the Division. Although an opinion is not given on the financial data presented in this report, one is given on all State funds in the statewide *Comprehensive Annual Financial Report* that includes the financial data presented here.

**DIVISION OF HUMAN RESOURCES – FINANCIAL STATEMENT**

<u>Fund 475</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
Beginning Cash	\$677,968.66	\$550,814.29	\$269,882.07
Receipts	<u>2,320,833.08</u>	<u>2,344,342.61</u>	<u>2,333,711.71</u>
Total Cash Available	\$2,998,801.74	\$2,895,156.90	\$2,603,593.78
Total Personnel Cost	1,798,495.37	1,881,794.87	1,867,260.74
Total Operating Cost	603,528.57	581,444.46	452,711.90
Total Capital Outlay	<u>45,963.51</u>	<u>162,035.50</u>	<u>25,639.21</u>
Total Disbursements	<u>\$2,447,987.45</u>	<u>\$2,625,274.83</u>	<u>\$2,345,611.85</u>
Ending Cash Balance	<u>\$550,814.29</u>	<u>\$269,882.07</u>	<u>\$257,981.93</u>

<u>Fund 401</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
Beginning Cash	\$12,440.38	\$18,050.10	\$55,740.20
Receipts	<u>97,465.42</u>	<u>139,088.48</u>	<u>54,900.00</u>
Total Cash Available	\$109,905.80	\$157,138.58	\$110,640.20
Total Disbursements	<u>91,855.70</u>	<u>101,398.38</u>	<u>94,244.68</u>
Ending Cash Balance	<u>\$18,050.10</u>	<u>\$55,740.20</u>	<u>\$16,395.52</u>

**OTHER ISSUES.** We discussed other, less important issues which, if changed, would improve internal control, ensure compliance, or improve efficiency.

This report is intended solely for the information and use of the Division of Human Resources and the Idaho Legislature and is not intended to be, and should not be, used by anyone other than these specified parties.

We appreciate the cooperation and assistance given us by the division administrator, Ann Heilman, and her staff.

QUESTIONS CONCERNING THIS DOCUMENT SHOULD BE DIRECTED TO:

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